

E452

MEMORANDUM FOR: Chief, Supply Division, OL

FROM: [REDACTED]

Chief, Information and Management Support Staff

SUBJECT: Expendability Criteria

REFERENCE: Memo Same Subject - OL 14135-87

1. IMSS has evaluated the referenced memorandum and after consultations with several experienced Logistics Officers, arrived at a consensus opinion regarding each of the points suggested by Supply Division. To conform with your memo we will address each point chronologically and provide our recommendations in the concluding summary. [REDACTED]

a. Historically, the expendability dollar value criteria of accountable property has periodically undergone review to compensate for inflation, changes in values of specific items, net gain for expenditure of available resources, and other factors relative to protection of accountable property. Over the years we have raised the minimum dollar value incrementally from \$10 to the current \$300 level. Although this may be a point in time to perform another review of the minimum dollar value of accountable property, IMSS is not aware of a specific requirement to do so. (We also question if the reason for the \$500 criteria to comply with Federal Acquisition Regulation small purchase provisions was selected "because it isn't worth the paperwork".) Should the minimum dollar value be raised, the overall workload may not be significantly reduced because approximately 50% of the former accountable items may become subject to the personal appeal criteria, which requires another form of control. [REDACTED]

b. In at least one situation, OL had to dismiss an employee because of theft. OF has dismissed several employees in recent years. Polygraphs do not ensure compliance with regulations; however, the polygraph is an excellent source of detection of potential problems and therefore serves as a deterrent to most employees in this respect. [REDACTED]

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25X1 clearly describe personal appeal items and [] give
examples of property that normally fall into this category.
25X1 These regulations provide specific guidance for the control
of personal appeal items. []

c. The primary goal should be to protect valuable
property and maintain accountability and, if possible, not
impose a formidable workload in the process. The minimum
dollar value is open to question, and as mentioned
previously, has been changed over the years. Although we do
25X1 not want to overburden administrative officers, we are
responsible for the management and control of property. []

d. The value of an item is not reduced because of its
location. Therefore, whatever minimum value is established
(presently \$300) forms the basis of accountability. The fact
that a "small station" may only contribute an insignificant
percentage to the Agency's total holdings of accountable
property does not negate the requirement to monitor, control,
and report this activity. However, it may be feasible to
operationally expend some of this property upon issue in some
circumstances. The bottom line is that a "small station" is
just as accountable as a "large station". The fact that the
25X1 figures are lower does not eliminate the responsibility for
accountability. []

2. IMSS recommends that the control of Government property
be maintained at all activities, regardless of size. We further
recommend that the minimal value of accountable property be
lowered to \$200, but that the personal appeal item category be
eliminated. Thus, any item with a unit cost of at least \$200
would be subject to defined monitoring, control, and reporting
procedures. Furthermore, the accountable officer in coordination
with the chief of the activity should be free to select the
necessary criteria at their particular location, relative to the
idiosyncrasies of locale and regardless of value, which would
determine those "special items" they desire to selectively
control via the hand receipt method.

3. As the Agency becomes more subjective to oversight via
Freedom of Information acceptability, we must be responsive and
improve our accountability controls. This is not the time to
significantly loosen our control mechanisms. Subsequently, since

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current regulations provide sufficient guidance for control of Government property and there is no strong justification to change the expendability criteria, our prime recommendation is to maintain the status quo.

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